

BENEFITS, REWARDS, AND SUPPORT: INCENTIVES TO BUILD QUALITY AND REDUCE TURNOVER IN THE IOWA CHILD CARE WORKFORCE

During the 81st Session of the Iowa General Assembly, legislators charged the Iowa Empowerment Board with the task of studying incentives that would encourage professionals to enter and stay in the early care and education (ECE) field. With technical assistance from Iowa State University, this study used reports from former and current child care practitioners and those working in both centers and family child care. The study also draws on previous studies to provide baseline information on the education and wage levels of Iowa's ECE workforce, as well as outlining a framework for viewing current and potential efforts to encourage high quality professionals to become practitioners and remain active in caring for and educating Iowa's children.

The ECE workforce represents a large segment of the Iowa workforce. Excluding care provided through informal arrangements where money is not exchanged for services, current estimates indicate that Iowa has more than 12,000 facilities (centers or in-home) providing early care and education to its more than 570,000 children under the age of 13 years (U.S. Census 2000). Excluding preschool programs housed in public schools and informal child care arrangements where there is no reported exchange of money, Iowa's child care workforce alone employs more than 17,000 persons (Larson, Artz, Hegland, Kuku, & Otto, 2005).

Incentives may be broadly viewed as those for individual practitioners and those targeted at programs or facilities. Recruitment incentives for individual practitioners are designed to encourage individuals to enter the field by offering them benefits (such as those expected under other types of employment situations), providing support for the education process that does not have to be repaid, or rewards such as initial placement and salary at above-entry level. Professional development incentives support the existing workforce as its members improve their knowledge and skills through career counseling, training supports, and education supports. Finally, while professional development incentives could be viewed as efforts to retain the workforce, other more direct retention incentives include rewards such as money and equipment, recognition, and efforts to create a work environment that is productive and rewarding.

Workforce turnover

The most recent estimate of teacher turnover in Iowa's non-publicly funded child care centers is 20%, while centers are experiencing assistant teacher turnover at a rate of 45%. Turnover for teachers and assistant teachers is significantly higher in urban centers than in rural centers. Turnover is much lower in Iowa early education programs where teacher education level is higher due to federal or state regulations (for example, Shared Visions or Head Start).

Based on self-reported data provided during the Iowa Child Care Workforce Study (2002), the percent of child care business owners who have no idea when they will close their business is nearly half of this section of the workforce (41%).

Iowa has undertaken one program to provide incentives for professional development of the workforce. The Iowa T.E.A.C.H. program provides education, incremental wage increases or bonuses, and career counseling. In addition, each T.E.A.C.H. participant is required by contract to remain in their position – either at a child care center or as a family child care business owner – for at least one year after completion of their scholarship year.

Child care center programs

Teachers working in Iowa's child care centers during 2004 earned an average annual salary of \$20,316. Assistant teachers earned an average of \$15,115. Iowa teachers average 14.8 years of education, up eight-tenths from their average education level in 2000. Median salary for teachers in 2005 was \$18,720, an increase of approximately 18% compared to the 2000 report. For assistant teachers, education levels have increased by nine-tenths of a year, while median salary has increased from \$12,480 to \$14,976 (12%).

One out of every three Iowa child care centers makes health insurance available to full-time teachers with premiums either partially or fully paid by the center (33%), while dental insurance (with partially or fully paid premium) is available in 17% of centers. Other recruitment benefits more likely to be available include reduced child care fees (57%), written contracts (56%), and written job descriptions (92%).

Urban teacher and assistant teacher turnover is higher than rural and assistant teacher turnover. The highest teacher annual salary level for rural teachers is significantly lower than the highest teacher annual salary for urban teachers. Rural center staff report they are significantly less likely to have health insurance and professional development materials through their employers than are urban staff.

The most frequent reason that center practitioners work in the field is that the field is a personal calling or their career/profession. "Work to do while their own children are young" was the least common reason for working in child care among current center workers. Current center staff who plan to remain for more years in child care are those with more benefits available to them and those who see child care as a career. Those who see child care as a career are more likely earning a higher annual salary and have more benefits available to them.

Telephone interviews conducted with 11 individuals who had left work as a teacher or assistant teacher in a child care center in the previous 12 months indicated these former center staff would have been more likely to stay if the pay and benefits had been better. Both center directors and former center practitioners discussed the negative impact on the ECE field resulting from the lack of public recognition for the early care and education profession.

Family Child Care Practitioners

Average education level reported by randomly sampled, family child care practitioners in 2002 was 12.9 years. Wage reports from family child care practitioners in 2002 indicated a median annual salary of \$14,709. From this amount, these business owners paid an average of \$9,450 in expenses necessary to carry on their business. Thus, take home pay for the average family child care professional was approximately \$5,259 per year – or roughly \$2.02 per hour. For half of family practitioners, health insurance coverage was provided through the spouse or partner's employer. Nearly one fourth (23%) of family practitioners do not have health insurance for themselves, while 9% of those with dependent children say their children are uninsured.

Unlike current center practitioners, former family child care practitioners were most likely to see family child care as work to do when their children are/were young, and least likely to see family child care as their career or profession. The most common reason for leaving family child care was to make more money, which was indicated by nearly half of the former family practitioners surveyed. The second most common reason for leaving family child care was the challenge of juggling a home-run business with the practitioner's own family needs.

Four types of child care practitioners

This retention & recruitment study identifies a model explaining motivation for quality care and knowledge for four different types of practitioners:

- Child Development Professional,
- Nurturer,
- Personal Family Needs Practitioner,
- Convenience Seeker.

These types differ in the need for incentives related to motivation and skills. Due to limitations associated with the data collected for this study, it is not currently possible to estimate the number or percentage of providers who fall into each of these category types. It is important to note that only Convenience Seekers state that they can earn more money with less effort in child care than in other work, a statement that may reflect their work skills and work ethic. The Convenience Seeker is rarely seen working as a center practitioner, while the remaining three types can be found in both center and family child care. The remaining three practitioner types all identify the need for wage and benefit incentives in order to remain in the field.

Child Development Professionals, as a group, typically have completed a post-secondary program in a profession related to child development. This practitioner sees child care/early education as her career or profession and tends to stay in the field longer than she had initially planned. Inadequate wages and/or benefits will drive these practitioners, who are the most likely of the four types to be knowledgeable and highly motivated to provide quality care, out of early care and education.

The second practitioner type, the Nurturer, enters the field because she loves to work with children. She sees child care as her calling, and intends to remain in the field. Only a catastrophe, such as her own health crisis or that of her spouse (e.g., cancer, multiple sclerosis, blindness, stroke), forces her to leave the field. Some Nurturers lost their in-home child care businesses upon moving to a new community where they lacked a network for referrals.

The third practitioner group is the Personal Family Needs practitioner. The Personal Family Needs practitioner temporarily leaves another profession to work in early care and education for a limited period of time, while her own children are young. After making the decision to leave her profession and open a family child care business in order to spend more time with her children, she often leaves because she finds that the demands of the family child care business leave her little time to spend with her own children. She may also work in a center for a time, if the benefits support her own need for child care. The Personal Family Needs practitioner who has a more recent college degree is likely to leave early care and education earlier than she had planned.

Convenience Seekers, the last group of practitioners, are seeking the easiest, most lucrative way to earn a living. The Convenience Seeker is typically found in family child care. This type resents limits put on her income-earning potential by state regulations that require training or that limit the number of children in her care and complains about difficult parents... She leaves the field when regulations restrict her income or force her out (e.g. because a household member has a criminal offense) or when her housing circumstances prevent her from providing care in her home. She is not interested in any professional development or training program and her comments indicate a lack of awareness that additional training in child development, guidance, parent relationships, and/or business practices could have helped her be more successful at recruiting and maintaining clients.

Study results strongly indicate that wage and benefit increases are needed to attract and maintain qualified educators to early care and education settings. The task for a recruitment, retention, and professional development incentive system is to increase the understanding of the Nurturer and the Personal Family Needs practitioner, while maintaining the motivation of the Nurturer, Personal Family Needs, and Child Development Professional. Comparable wages are critical. Clearly, no person can be motivated to pursue a two- or four-year degree in order to obtain an annual salary less than \$20,000. Currently wages in early care and education are lower than wages for custodial workers and animal caregivers. Affordable health insurance was also frequently mentioned by practitioners as a key to stay in the field.

Recommendations

Motivation to enter and remain in the ECE field is the result of an interplay of personal needs, meaning given to a person's work life, and events that require a change of course, especially when the employment situation does not support the life course change

Recommendation 1: Increase the number and size of financial incentives for the ECE workforce.

Recommendation 2: Make health insurance and retirement planning available to the ECE workforce.

Recommendation 3: Expand the availability of business practices training for center program administrators and develop similar training and technical support for family child care practitioners.

Recommendation 4: Create public awareness that early care and education is a highly respected and important profession.

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